

MCDONNELL DOUGLAS CORPORATION
COST ACCOUNTING STANDARDS CERTIFICATION
QUOTATION CONDITIONS

MDC 417 (REV 29 OCT 79)

A. DISCLOSURE STATEMENT-COST ACCOUNTING PRACTICES AND CERTIFICATION

Any purchase order/subcontract in excess of \$100,000 resulting from this solicitation except (i) when the price negotiated is based on: (A) established catalog or market prices of commercial items sold in substantial quantities to the general public, or (B) prices set by law or regulations; (ii) purchase order/subcontract awarded to small business concerns (as defined in DAR 1-701.1); or (iii) purchase order/subcontract otherwise exempt (see 4 CFR 331.30(b)) shall be subject to the requirements of the Cost Accounting Standards Board. Any bidder submitting a proposal, which, if accepted, will result in a purchase order/subcontract subject to the requirements of the Cost Accounting Standards Board, must, as a condition of contracting, submit a Disclosure Statement as required by regulations of the Board. The Disclosure Statement must be submitted as a part of the bidder's proposal under this solicitation (see II below) unless (i) the bidder, together with all divisions, subsidiaries, and affiliates under common control did not receive net awards exceeding the monetary exemption for disclosure as established by the Cost Accounting Standards Board (see III below); (ii) the bidder exceeded the monetary exemption in the cost accounting period immediately preceding the cost accounting period in which this proposal was submitted but, in accordance with the regulations of the Cost Accounting Standards Board, is not yet required to submit a Disclosure Statement (see IV below); (iii) the bidder has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal (see V below); or (iv) postaward submission has been authorized by McDonnell Douglas. See 4 CFR 351.70 for submission of copy of Disclosure Statement to the Cost Accounting Standards Board.

CAUTION: A practice disclosed in a Disclosure Statement shall not be deemed to be, by virtue of such disclosure, a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

Check the appropriate box below:

☐ **I. Statement of Exemption**

Although this quotation exceeded \$100,000, any resulting purchase order/subcontract will be exempt because:

☐ It will be based on established catalog or market prices of commercial items sold in substantial quantities to the general public, or

NOTE: A completed DD Form 633-7 must be included in this quotation to support this statement of exemption.

☐ It will be based on prices set by law or regulation.

☐ **II. Certificate of Concurrent Submission of Disclosure Statement(s)**

The bidder hereby certifies that he has submitted, as a part of his proposal under this solicitation, copies of the Disclosure Statement(s) as follows: (i) original and one copy to the cognizant Administrative Contracting Officer (ACO) (See DOD Directory of Contract Administration Components (DOD 4105.59H); and (ii) one copy to the cognizant Contract Auditor.

Date Of
Disclosure
Statement

Name(s) and Address(es) of Cognizant ACO(s)
Where Filed

The bidder further certifies that practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement(s).

☐ **III. Certificate of Monetary Exemption**

The bidder hereby certifies that he, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated national defense prime contracts and subcontracts subject to Cost Accounting Standards totaling more than \$10 million in his cost accounting period immediately preceding the period in which this proposal was submitted. The bidder further certifies that if his status changes prior to an award resulting from this proposal he will advise McDonnell Douglas immediately.

CAUTION: Bidders who submitted a Disclosure Statement under the filing requirements previously established by the Cost Accounting Standards Board may claim this exemption only if the dollar volume of CAS-covered national defense prime contract and subcontract awards in their preceding cost accounting period did not exceed the \$10 million threshold and the amount of this award will be less than \$10 million. Such bidders will continue to be responsible for maintaining the Disclosure Statement and following the disclosed practices on CAS-covered prime contracts and subcontracts awarded during the period in which a Disclosure Statement was required.

☐ **IV. Certificate of Interim Exemption**

The bidder hereby certifies that (i) he first exceeded the monetary exemption for disclosure, as defined in (III) above, in his cost accounting period immediately preceding the cost accounting period in which this proposal was submitted, and (ii) in accordance with the regulations of the Cost Accounting Standards Board (4 CFR 351.40(f)), he is not yet required to submit a Disclosure Statement. The bidder further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period he will immediately submit a revised certificate to McDonnell Douglas, in the form specified under (II) above or (V) below as appropriate to verify his submission of a completed Disclosure Statement.

CAUTION: Bidders may not claim this exemption if they are currently required to disclose because they were awarded a CAS-covered national defense prime contract or subcontract of \$10 million or more in the current cost accounting period. Further, the exemption applies only in connection with proposals submitted prior to expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

☐ **V. Certificate of Previously Submitted Disclosure Statement(s)**

The bidder hereby certifies that the Disclosure Statement(s) were filed as follows:

Date Of
Disclosure
Statement

Name(s) and Address(es) of Cognizant ACO(s)
Where Filed

The bidder further certifies that practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement(s).

B. COST ACCOUNTING STANDARDS-EXEMPTION FOR PURCHASE ORDER/SUBCONTRACT OF \$500,000 OR LESS

If this proposal is expected to result in the award of a purchase order/subcontract of \$500,000 or less, the bidder shall indicate whether the exemption to the Cost Accounting Standards Clause (MDC 418) under the provisions of 4 CFR 331.30(b) (8) is claimed. Failure to check the box below shall mean that the resultant purchase order/subcontract is subject to the Cost Accounting Standards Clause or that the bidder elects to comply with such clause.

☒ The bidder hereby claims an exemption from the Cost Accounting Standards Clause under the provisions of 4 CFR 331.30(b) (8) and certifies that he has received notification of final acceptance of all deliverable items on (i) all prime contracts or subcontracts in excess of \$500,000 which contain the Cost Accounting Standards Clause, and (ii) all prime contracts or subcontracts of \$500,000 or less awarded after January 1, 1975 which contain the Cost Accounting Standards Clause. The bidder further certifies he will immediately notify McDonnell Douglas, in writing, in the event he is awarded any other contract or subcontract containing the Cost Accounting Standards Clause subsequent to the date of this certificate but prior to the date of any award resulting from this proposal.

C. COST ACCOUNTING STANDARDS-ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the bidder is eligible to use the modified provisions of 4 CFR 332 and elects to do so, he shall indicate by checking the box below. Checking the box below shall mean that the resulting purchase order/subcontract is subject to the Disclosure and Consistency of Cost Accounting Practices Clause (MDC 418-1) in lieu of the Cost Accounting Standards Clause (MDC 418).

☐ The bidder hereby claims an exemption from the Cost Accounting Standards Clause (MDC 418) under the provisions of 4 CFR 331.30(b) (2), and certifies that he is eligible for use of the Disclosure and Consistency of Cost Accounting Practices Clause (MDC 418-1) because (i) during his cost accounting period immediately preceding the period in which this proposal was submitted, he received less than \$10 million in awards of the CAS-covered national defense prime contracts and subcontracts, and (ii) the sum of such awards equaled less than 10 percent of his total sales during that cost accounting period. The bidder further certifies that if his status changes prior to an award resulting from this proposal he will advise McDonnell Douglas immediately.

CAUTION. Bidders may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a purchase order/subcontract of \$10 million or more or if, during their current cost accounting period, they have been awarded a single CAS-covered national defense prime contract or subcontract of \$10 million or more.

FIRM Monroe Institute of Applied Sciences

NAME R. A. Monroe

TITLE President

13 July 1982

Date of Certification